

Mogale City

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01 APRIL 2019

**EXTRACT FROM THE MINUTES OF 18TH ORDINARY COUNCIL MEETING OF
MOGALE CITY LOCAL MUNICIPALITY HELD ON 29 MARCH 2019**

ITEM K(ii) 1(03/2019)

DRAFT BUDGET FOR MTREF 2019/20-2021/22

RESOLVED:

1. That the draft annual IDP, Budget & SDBIP of Mogale City Local Municipality for the financial year 2019/2020 and the indicative estimates for the two projected outer years 2020/2021 and 2021/2022, as set out in the schedules listed below be **tabled** in order to present these proposals to stakeholders for consultation:
 - 1.1. The annual IDP, Budget & SDBIP of the municipality for the financial year 2019/2020 and the multi-year and single year capital appropriations as set out in the following tables be considered for approval:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 13 (**MBRR Table A2**);
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 14 (**MBRR Table A3**);
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 16 (**MBRR Table A4**); and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and functional classification and associated funding by source as contained in Table 17 (**MBRR Table A5**).
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets be tabled as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 18 (**MBRR Table A6**);

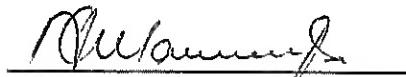
- 1.2.2. Budgeted Cash Flows as contained in Table 19 (**MBRR Table A7**);
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 20 (**MBRR Table A8**);
 - 1.2.4. Asset management as contained in Table 21 (**MBRR Table A9**);
 - 1.2.5. Basic service delivery measurement as contained in Table 22 (**MBRR Table A10**).
2. The Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the following tariffs:
 - 2.1.1. the tariffs for electricity – as set out in Schedule 4.
 - 2.1.2. the tariffs for the supply of water – as set out in Schedule 4.
 - 2.1.3. the tariffs for sanitation services – as set out in Schedule 4.
 - 2.1.4. the tariffs for property rates – as set out in Schedule 4.
 - 2.1.5. the tariffs for solid waste removal – as set out in Schedule 4.
3. The Executive Mayor of Mogale City Local Municipality, acting in terms of Section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tables for public participation the tariffs for other services, as set out in Schedule 4.
4. The Executive Mayor of Mogale City Local Municipality, in terms of Section 5 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the reviewed rates policy for public participation.
5. The Executive Mayor of Mogale City Local Municipality, in terms of Section 6 of the Local Government: Municipal Property Rates Act (Act 6 of 2004) tables the rates By-laws to give effect to the rates policy for public participation.
6. That the increase in the above tariffs is not applicable to the following property rates and cemetery fees which shall be kept at zero for 2019/2020.
7. That cognizance be taken of the introduction of shifting from volumetric or property value base for sanitation tariffs to a property value as other progressive base.
8. That cognizance be taken of the provision made for a 7.1% increase in the salaries of employees this was informed by the average CPI expected including section 54A and 56 officials.
9. That cognizance be taken made for a 6% estimated increase in salaries of councillors which still have to be announced in terms of Public Office Bearers Act.
10. That cognizance be taken of the projected cash flow surplus of R320, 838 million be utilized to pay accrued expenditure at the end of 30 June 2019.

11. That an average of 2.5% to 3% of operating revenue around R6,654 million per month must be ring-fenced during the year in order to build cash reserves to fund own funded capital projects in future.
12. That cognizance be taken of the draft Integrated Development Plan in which the Executive Mayor identifies and prioritizes the community needs as well as recommending to the municipal council strategies, programmes and services to address these priority needs.
13. That cognizance be taken of the draft Service Delivery and Budget Implementation which the Executive Mayor defines the key performance indicators to evaluate progress in the implementation of the strategies, programmes and services.
14. That cognizance be taken of the draft annual budget for the 2019/2020 – 2021/2022 MTREF together with the draft reviewed Integrated Development Plan as hereto tabled to the Municipal Council be supported and referred to public participation in terms of Sections 22 and 23 of the Municipal Finance Management Act and that the consultation process be done in accordance with Chapter 4 of the Municipal Systems Act.
15. That comments be invited through the public participation process on the new policy namely;
 - Annexure 13: Draft Fleet Management Policy
16. That the following budget related policies, draft IDP and SDBIP be tabled for public participation:
 1. Annexure 1: Property Rates Policy
 2. Annexure 2: Property Rates By-Law
 3. Annexure 3: Virement Policy
 4. Annexure 4: Credit Control & Debt Collection Policy
 5. Annexure 5: Indigent Management Policy
 6. Annexure 6: Indigent Burial Policy
 7. Annexure 7: Grant-In-Aid Policy
 8. Annexure 8: Supply Chain Management Policy
 9. Annexure 9: Unauthorised, Irregular, Fruitless and Wasteful Expenditure Policy
 10. Annexure 10: 1% Corporate Social Responsibility Policy
 11. Annexure 11: Asset Management Policy
 12. Annexure 12: Draft Fleet Management Policy
 13. Annexure 13: Travelling Allowance Policy
 14. Annexure 14: Draft 2019/2020 IDP, Review of the 5 year IDP 2016-21
 15. Annexure 15: Draft 2019/2020 SDBIP
17. That the following budget related policies be noted as were approved during the past financial years and remain in force for the 2019/2020 financial year:
 1. Borrowing Policy
 2. Budget Management Policy
 3. Cash Management & Investment Policy
 4. Long Term Financial Planning Policy

5. Waste Management Policy
6. Write Off Policy
7. Sports & Recreation Facilities Tariff Policy.
8. General Tariff Policy
9. Public Safety Tariff Policy
10. Development Contribution for Engineering Services Policy
11. Water Services By-laws
12. Mogale City Tree Management & Conservation Policy
13. Mogale City Parks By-Laws

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CERTIFIED A TRUE EXTRACT



COUNCILLOR N C MANGOLE
SPEAKER OF COUNCIL